that the allegations in this regard were vague and general in nature and not substantiated on the basis of existing records.

Market share of LIC

2770. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that new private players in insurance sector are poaching LIC's market share;

(b) if so, what is the comparative data in respect of LIC and private players for the last two years in various insurance products, both rural and urban markets;

(c) whether it is also a fact that the drift of customers from LIC is on account of their diminishing confidence level in the LIC after the UTI fiasco, a Government owned entity like the LIC; and

(d) if so, what measures are contemplated to redeem the confidence of the public in LIC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir. The Life Insurance Corporation (LIC) have registered a growth of 16.24% in policies, 54.34% in sum assured and 137.03% in First Premium Income during 2001-02.

(b) Comparative performance of LIC and private insurance companies for last 2 years is given in the Statement *(See* below).

(c) and (d) No, Sir. The business performance of LIC indicates that it is enjoying confidence of the customers. To improve its image further, LIC is aiming at reduction in outstanding claims ratio, networking the branches to provide on the spot information to customers and making aggressive publicity campaign of its products and services.

Statement

Class-wise premiums of life insurance companies in India

(Rs. in lakhs)

	LIC	Private Insurance Companies
2000-01		
First Year Premium	696321.85	373.06
Renewal Premium	2519107.36	N.A.
Single Premium	273773.03	272.13
TOTAL	3489202.24	645.19
2001-02		
First Year Premium	1049272.25	17056.41
Renewal Premium	3023313.69	403.88
Single Premium	909605.00	9793.08
TOTAL	4982190.94	27253.37

Violation of lending norms by Essar Group

2771. SHRI AMAR SINGH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are aware that Essar Group has net defaulted on repayment of loan but also violated lending norms by transferring the oil terminal project of its flagship company Essar Shipping to its subsidiary Vadinar Oil Terminal Ltd. and if so, the details thereof; and

(b) whether it is also a fact that the approval of ICICI which is the lending institution, was not obtained as required under the norms and if so, the reasons therefor and the action Government have taken against the company in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Overdues of the Essar Group of Companies as on 30th September,